



State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

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January 29, 1998

TO: Minerals File

FROM: Anthony A. Gallegos, Reclamation Engineer *aa2*

RE: Meeting Documentation, Akzo Nobel Salt Inc.(now Cargill Salt), Timpie Solar Ponds M/045/030, Tooele County, Utah

Date of Meeting: January 29, 1998
Time of Meeting: 1330 - 1500
Participants: Danny Bauer, Boyd White, Cargill Salt; Wayne Hedberg, Tony Gallegos, Tom Munson, DOGM

Purpose of Meeting: To discuss Cargill's response to the Division January 9, 1998 letter.

At this meeting Mr. Bauer and Mr. White of Cargill presented a rough draft of their response to the Division's permit deficiency letter of December 2, 1994. Cargill's response addressed three main issues: (1) post mine use of the access roads in Plot B; (2) post mine use of the facilities in Plot B; and (3) sources of soil borrow sites. Cargill presented a copy of excerpts from their agreement with MagCorp regarding first preferential rights to purchase the property or mineral leases. In addition, Cargill presented a copy of a letter from the Tooele County Department of Engineering, which described the zoning of the Plot B area and asserted the facilities located within this plot would have some post mining industrial use.

The post mine use of the access roads and the facilities within Plot B was discussed. The letter from Tooele County does not express a commitment to assume responsibility of the facilities, but asserts that a post mine use is likely. Cargill modeled their justification for allowing these facilities to remain after the Great Salt Lake Minerals (GSLM) plan which includes a similar letter from the county. The Division will have to review the GSLM file and letter to determine if a precedent was set and if the Tooele County letter meets this precedent. This actually addressed post mine use of the road and facilities in plot B which were two of the three main issues covered in the draft response.

We discussed two possible borrow areas near the facilities. One borrow site would be a pit located on BLM lands. Another borrow site would be on private land. Both borrow sites were estimated to have ample soils for the current volume estimated for reclamation; however, the borrowed soils are more like road base material than soil. Mr. Bauer mentioned that from his calculations the volume of topsoil shown in the Division's draft reclamation estimate appeared low and consequently, the cost was low. The Division's estimate was a draft and assigned a general cost for borrow material, since

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the actual borrow locations were not known at that time. The question was raised as to why are we putting topsoil on that area (Plot C)? A review of the Division's December 2, 1994 letter, revealed that the Division "recommended" placing 12 inches of topsoil on the area in question. The Division agreed to research the file further to determine the basis of this recommendation and the reason for top soiling versus removal of salt and rinsing of the area.

We discussed the general order of events from the receipt of Cargill's response to final approval by the Division. Based on time frames for review and publishing of the public notice it was determined that this matter could not be scheduled for presentation to the Board until April. Tentative approval has not yet been reached for this permit.

Cargill had the impression that a bond had been provided to the Division in 1997. Division files contained only the 1994 bond from Akzo. Mr. Bauer agreed to check their records to see if the 1997 bond was for leases and sent to SITLA, or just Cargill paying the premium for the original Akzo bond.

Electronic copies of the MR-RC form, Surety Bond form and transfer form were provided to Cargill. The meeting concluded with the following understandings:

- Cargill would prepare a formal response to the Division's letter using comments generated by this draft response;
- Cargill would prepare draft versions of the MR-RC, Surety Bond & Transfer form and deliver them to the Division for review prior to finalization;
- Cargill would prepare a draft of the executive summary for review by the Division;
- Cargill would provide a site map for use in the Board package;
- DOGM would have legal review of the MagCorp agreement to see if it had any affect on the permitting or bonding;
- DOGM would evaluate the Tooele County letter as justification to allow the plant facilities to remain unreclaimed.

Although it was not discussed in the meeting, the Division would need to revise or update the reclamation estimate due to changes in post mine use of facilities and/or topsoil borrowing.

cc: Dan Bauer, Cargill Salt
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